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STATE FOR AF/S USDOC FOR ROBERT TELCHIN TREASURY FOR OREN WYCHE-SHAW PASS USTR FLORIZELLE LISER STATE PASS USAID FOR MARJORIE COPSON

SENSITIVE, NOFORN

E.O. 12958: N/A

TAGS: EAGR PGOV EFIN ECON ETRD EINV SUBJECT: WHITE FARMER GROUP SAYS SITUATION MIGHT IMPROVE

FOR ITS MEMBERS

Summary

 $\P1$ . (SBU) Summary: Doug Taylor-Freeme, the head of the Commercial Farmers Union (CFU), said the pace of fast track land reform had perceptibly slowed. He attributed this in part to the efforts of Reserve Bank (RBZ) Governor Gideon Gono to try to restore productivity to the agriculture sector. He said he is also negotiating with the GOZ for the return of 30 farmers' land in the Chinoyi region of central Zimbabwe. Like 500 farmers nationwide, they were still living on their farms but had been unable to commercially farm due to the presence of settlers. He hoped an agreement on Chinoyi would lead to deals in other regions. Taylor-Freeme dismissed the GOZ campaign against individuals who had received multiple farms as political score settling rather than a real anti-corruption measure.

GOZ Attitude Toward White Farmers Improving?

- (SBU) CFU President Doug Taylor-Freeme told Econoff January 5 that the ruling ZANU-PF appears to have become less hostile to white farmers. Taylor-Freeme estimated that there was currently a net loss of only one white-owned farm per month. This rate is well below the rate in the early years of fast track land reform and even down substantially from last fall, when the rate was one or two farms a week.
- 13. (SBU) Taylor-Freeme attributed part of the change to the fact that most farm invasions have taken place just after planting begins in August. That said, he also credited the influence of Reserve Bank (RBZ) Governor Gideon Gono, who Taylor-Freeme believes is quietly fighting to bring fast-track land reform to an end. Taylor-Freeme said Gono brokered a December meeting between the CFU and Zimbabwe Defense Forces (ZDF) Commander Constantine Chiwenga, where the two sides discussed containing further farm invasions. At the meeting, Gono pressured Chiwenga to agree that the army should halt farm invasions by War Veterans and private militias once commercial farmers had planted their crops. Gono argued that the economy could not afford to lose crops already in the ground.

\_\_\_\_\_ White Farmer Prospects May be Improving as Well 

14. (SBU) Taylor-Freeme said he is close to a deal with the GOZ that would enable 30 idle white farmers in the Chinoyi area (Mashonaland West) to return to farming. These whites continue to occupy their farmhouses but there are settlers on their land, which precludes them from commercial-scale farming. Taylor-Freeme said nationwide there were nearly 500 white farmers who fell into this category and he hoped the Chinoyi deal, if successful, would become a model for other parts of the country. He noted that around 550 of 4,500 white farmers are still engaged in agriculture on a significant scale, so this approach could potentially double the number of white commercial farmers and that in turn could help restore productivity to the agricultural sector.

But GOZ Corruption Remains an Obstacle

15. (SBU) Taylor-Freeme denied that Lands Minister John Nkomo is aggressively reclaiming properties from multiple farm recipients, most of them government insiders who were not interested in serious farming but treated the farms as

weekend houses. He dismissed the GOZ's very public current campaign as being directed against just a handful of ZANU-PF figures, all of whom had recently fallen out of favor, such as Information/Publicity Minister Jonathan Moyo and Foreign Minister Stan Mudenge.

Comment

16. (SBU) An agreement returning land to the Chinoyi farmers would be a significant step in the right direction by the GOZ. It would mark a departure from land reform driven by ideology and could herald more pragmatic, productivity-driven policies. The success of this effort may very well depend on STATE FOR AF/S USDOC FOR ROBERT TELCHIN TREASURY FOR OREN WYCHE-SHAW PASS USTR FLORIZELLE LISER STATE PASS USAID FOR MARJORIE COPSON

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the extent to which Gono is able to maintain and expand his influence with Mugabe. Gono appears personally committed to more rational policies but cannot deliver without the President's blessing. SCHULTZ